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Programme and Budget Committee

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Item 6 of the provisional agenda

SCALE OF ASSESSMENTS FOR APPORTIONMENT OF THE REGULAR BUDGET EXPENSES

Scale of assessments for the fiscal period 2004-2005

Note by the Secretariat

Proposes a scale of assessments for the fiscal period 2004-2005, based on the application of the assessment rates adopted in resolutions 55/5 B-F and 57/4 B by the United Nations General Assembly for the year 2003, adjusted to the membership of UNIDO.

I. SCALE OF ASSESSMENTS

1. The Programme and Budget Committee is required under Article 10.4 of the Constitution to prepare the draft scale of assessments for regular budget expenditures, for submission to the Board. In accordance with Article 15.1 of the Constitution of UNIDO, "Regular budget expenditures shall be borne by the Members, as apportioned in accordance with a scale of assessment established by the Conference by a two-thirds majority of the Members present and voting, upon the recommendation of the Board adopted by a two-thirds majority of the Members present and voting, on the basis of a draft prepared by the Programme and Budget Committee."

2. Article 15.2 states: "The scale of assessments shall be based to the extent possible on the scale most recently employed by the United Nations. No Member shall be assessed more than twenty-five per cent of the regular budget of the Organization."

3. On 23 December 2000, the United Nations General Assembly adopted resolution 55/5 B-F containing the United Nations scale of assessments for the three-year period 2001-2003, which establishes:

(a) A minimum assessment rate of 0.001 per cent;

(b) A maximum assessment rate for the least developed countries of 0.01 per cent;

(c) A maximum assessment rate of 22 per cent. In paragraph C.3, the General Assembly stressed that the reduction of the maximum assessment rate of 22 per

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cent "shall apply to the apportionment of the expenses of the United Nations and should have no automatic implication for the apportionment of the expenses of the specialized agencies or the International Atomic Energy Agency."

4. On 29 January 2003, the General Assembly further adopted resolution 57/4 B, under which it decided "to fix the rates of assessment in 2003 for Afghanistan at 0.001 per cent and for Argentina at 0.969 per cent, as ad hoc adjustments", based on appeals by Members for a change of assessments. This resolution also notes that this decision should have no automatic implication for the apportionment of the expenses of the specialized agencies or the International Atomic Energy Agency.

5. The proposed scale of assessments for the apportionment of the UNIDO regular budget expenses for the fiscal period 2004-2005 is therefore based on the two resolutions adopted by the United Nations for the scale of assessments for the year 2003, i.e. the most recent United Nations scale available at the time of preparing this document. This proposal is in line with past practice, as is evident from table 1. The General Conference has consistently approved the scale of assessments for UNIDO based on the most recent United Nations scale available at the time of the Conference regular session, adjusted to the membership of UNIDO. For instance, the scale of assessments for 1988-1989 was based on the United Nations scale of 1988; the 1990-1991 on 1989; 1994-1995 on 1994; 1998-1999 on 1997 and 2000-2001 on 2000. Should the General Assembly adopt new scales for 2004-2005, prior to convening of the General Conference in December 2003, Member States would be informed.

Table 1.
Chronological application of the United Nations scale of assessments

Biennium	United Nations scale applied by UNIDO (year/s)	General Assembly reference
1986-1987	1986 – 1987	Resolution 40/248
1988-1989	**1988**	Resolution 40/248
1990-1991	**1989**	Resolution 43/223A
1992-1993	1992 – 1993	Document A/46/11
1994-1995	**1994**	Decision 47/456
1996-1997	1996 – 1997	Resolution 49/19 B
1998-1999	**1997**	Resolution 49/19 B
2000-2001	**2000**	Resolution 52/215
2002-2003	2002 – 2003	Resolution 55/5 B-F

6. In decision GC.9/Dec.10 on the scale of assessments for the Member States of UNIDO adopted by the General Conference at its ninth session, the Conference decided to establish a scale of assessments for the regular budget expenditures of UNIDO for the fiscal period 2002-2003 as contained in columns 5 and 6 (that is, a 22 per cent maximum assessment rate) of the annex to document IDB.24/5-PBC.17/5 dated 16 March 2001.

7. Adjustments to the scale to include any State that may become a Member between now and the closure of the tenth session of the General Conference in accordance with Articles 3, 24 and 25 of the Constitution will be communicated to the Conference.

8. Taking into account these facts, the Secretariat has prepared the draft scale of assessments for the fiscal period 2004-2005 based on General Assembly resolutions 55/5 B-F and 57/4 B, for the period 2003. Information has been received by the Secretariat that the application of these two General Assembly resolutions will be taken into account by the International Atomic Energy Agency when drafting a scale of assessments for 2004. Similarly, the World Health Organization has proposed a scale of assessments for the fiscal period 2004-2005 based on the above General Assembly resolutions for the period 2003.

9. The application of the assessment rate adopted by the General Assembly for the year 2003 (resolutions 55/5 B-F and 57/4 B), adjusted to the membership of UNIDO, results in a total assessment of 74.39600 per cent (column 1 of the annex to the present document), owing to differences in membership between the United Nations and UNIDO. To produce a scale of assessments that covers 100 per cent of regular budget expenditures of UNIDO, it is necessary to apply a mathematical coefficient to the United Nations rates for UNIDO Member States. The coefficient is not applied to the rates of United Nations Member States paying the minimum assessment of 0.001 per cent, and it ensures that the rate of least developed countries does not exceed 0.01 per cent as well as the maximum rate of any UNIDO Member State does not exceed 22 per cent. The coefficient (1.4217143) calculations are shown in table 2.

10. Column 2 of the annex to the present note shows the adjusted rates for the scale of assessments for the fiscal period 2004-2005 for States that were Members of UNIDO, as of 28 February 2003, by applying the coefficient 1.4217143, as explained in paragraph 9 above. Column 3, showing assessment rates for 2003, has been included for information purposes only.

New Member States

11. In accordance with financial regulation 5.6, new Members shall be assessed for the year in which they become Members at rates to be determined by the Conference.

Table 2.
Calculation of coefficient
(Percentage)

	United Nations rate of assessment 2003	UNIDO rate of assessment 2004-2005
Total (169 Member States)	74.39600	100.000
UNIDO Member State with highest assessment	-19.51575	-22.000
UNIDO Member States paying the minimum assessment (0.001 per cent x 37 States)	-0.03700	-0.037
Least developed countries	-0.02000	-0.020
Total for calculation of coefficient	54.82325	77.943
Coefficient for 2004-2005: 77.943/54.82325		1.4217143

II. ACTION REQUIRED OF THE COMMITTEE

12. The Committee may wish to propose to the Industrial Development Board the adoption of the following draft decision:

"The Industrial Development Board:

"(a) Takes note of document IDB.27/7–PBC.19/7;

"(b) Recommends to the General Conference the establishment of a scale of assessments for the fiscal period 2004-2005 based on United Nations General Assembly resolutions 55/5 B-F and 57/4 B, adjusted to the membership of UNIDO on the understanding that new Members shall be assessed for the year in which they become Members on the basis of the United Nations scale of assessments, as applicable to UNIDO;

"(c) Urges Member States to pay their assessed contributions for the 2004-2005 biennium in accordance with financial regulation 5.5 (b), which states that contributions and advances shall be due and payable in full within thirty days of the receipt of the communication of the Director-General, or as of the first day of the calendar year to which it relates, whichever is later;

"(d) Calls on Member States that are in arrears, as well as States that are no longer members of UNIDO, to fulfil their constitutional obligations by paying their outstanding assessed contributions in full and without conditions as soon as possible, or to take advantage of payment plans to settle their arrears."

Annex

SCALE OF ASSESSMENTS FOR 2004 and 2005
(Percentage)

Member State	UNITED NATIONS assessment rates 2003 [a] (1)	UNIDO assessment rates 2004 and 2005 [b] (2)	UNIDO rates for 2003 (3)
Afghanistan	0.00100	0.00100	0.01000
Albania	0.00300	0.00426	0.00400
Algeria	0.07000	0.09951	0.09900
Angola	0.00200	0.00283	0.00300
Argentina	0.96900	1.37762	1.62800
Armenia	0.00200	0.00283	0.00300
Austria	0.94700	1.34634	1.34200
Azerbaijan	0.00400	0.00568	0.00600
Bahamas	0.01200	0.01705	0.01700
Bahrain	0.01800	0.02558	0.02600
Bangladesh	0.01000	0.01000	0.01000
Barbados	0.00900	0.01279	0.01300
Belarus	0.01900	0.02700	0.02700
Belgium	1.12900	1.60510	1.60000
Belize	0.00100	0.00100	0.00100
Benin	0.00200	0.00300	0.00300
Bhutan	0.00100	0.00100	0.00100
Bolivia	0.00800	0.01136	0.01100
Bosnia and Herzegovina	0.00400	0.00568	0.00600
Botswana	0.01000	0.01421	0.01400
Brazil	2.39000	3.39788	3.38600
Bulgaria	0.01300	0.01847	0.01800
Burkina Faso	0.00200	0.00300	0.00300
Burundi	0.00100	0.00100	0.00100
Cambodia	0.00200	0.00283	0.00300
Cameroon	0.00900	0.01279	0.01300
Cape Verde	0.00100	0.00100	0.00100
Central African Republic	0.00100	0.00100	0.00100
Chad	0.00100	0.00100	0.00100
Chile	0.21200	0.30138	0.30000
China	1.53200	2.17805	2.17000
Colombia	0.20100	0.28574	0.28500
Comoros	0.00100	0.00100	0.00100
Congo	0.00100	0.00100	0.00100
Costa Rica	0.02000	0.02842	0.02800
Côte d'Ivoire	0.00900	0.01279	0.01300
Croatia	0.03900	0.05544	0.05500
Cuba	0.03000	0.04264	0.04300
Cyprus	0.03800	0.05402	0.05400
Czech Republic	0.20300	0.28859	0.28800
Democratic People's Republic of Korea	0.00900	0.01279	0.01300
Democratic Republic of the Congo	0.00400	0.00600	0.00600
Denmark	0.74900	1.06484	1.06100
Djibouti	0.00100	0.00100	0.00100

Member State	UNITED NATIONS assessment rates 2003 [a] (1)	UNIDO assessment rates 2004 and 2005 [b] (2)	UNIDO rates for 2003 (3)
Dominica	0.00100	0.00100	0.00100
Dominican Republic	0.02300	0.03269	0.03300
Ecuador	0.02500	0.03553	0.03500
Egypt	0.08100	0.11514	0.11500
El Salvador	0.01800	0.02558	0.02600
Equatorial Guinea	0.00100	0.00100	0.00100
Eritrea	0.00100	0.00100	0.00100
Ethiopia	0.00400	0.00600	0.00600
Fiji	0.00400	0.00568	0.00600
Finland	0.52200	0.74211	0.74000
France	6.46600	9.19278	9.16100
Gabon	0.01400	0.01989	0.02000
Gambia	0.00100	0.00100	0.00100
Georgia	0.00500	0.00710	0.00700
Germany	9.76900	13.88871	13.84100
Ghana	0.00500	0.00710	0.00700
Greece	0.53900	0.76628	0.76400
Grenada	0.00100	0.00100	0.00100
Guatemala	0.02700	0.03838	0.03800
Guinea	0.00300	0.00426	0.00400
Guinea-Bissau	0.00100	0.00100	0.00100
Guyana	0.00100	0.00100	0.00100
Haiti	0.00200	0.00300	0.00300
Honduras	0.00500	0.00710	0.00700
Hungary	0.12000	0.17059	0.17000
India	0.34100	0.48478	0.48300
Indonesia	0.20000	0.28432	0.28300
Iran (Islamic Republic of)	0.27200	0.38669	0.38500
Iraq	0.13600	0.19333	0.19300
Ireland	0.29400	0.41796	0.41700
Israel	0.41500	0.58999	0.58800
Italy	5.06475	7.20061	7.17451
Jamaica	0.00400	0.00568	0.00600
Japan	19.51575	22.00000	22.00000
Jordan	0.00800	0.01136	0.01100
Kazakhstan	0.02800	0.03980	0.04000
Kenya	0.00800	0.01136	0.01100
Kuwait	0.14700	0.20897	0.20800
Kyrgyzstan	0.00100	0.00100	0.00100
Lao People's Democratic Republic	0.00100	0.00100	0.00100
Lebanon	0.01200	0.01705	0.01700
Lesotho	0.00100	0.00100	0.00100
Liberia	0.00100	0.00100	0.00100
Libyan Arab Jamahiriya	0.06700	0.09524	0.09500
Lithuania	0.01700	0.02416	0.02400
Luxembourg	0.08000	0.11373	0.11300
Madagascar	0.00300	0.00400	0.00400
Malawi	0.00200	0.00283	0.00300
Malaysia	0.23500	0.33408	0.33300

Member State	UNITED NATIONS assessment rates 2003[a] (1)	UNIDO assessment rates 2004 and 2005[b] (2)	UNIDO rates for 2003 (3)
Maldives	0.00100	0.00100	0.00100
Mali	0.00200	0.00300	0.00300
Malta	0.01500	0.02132	0.02100
Mauritania	0.00100	0.00100	0.00100
Mauritius	0.01100	0.01563	0.01600
Mexico	1.08600	1.54396	1.53900
Mongolia	0.00100	0.00100	0.00100
Morocco	0.04400	0.06255	0.06200
Mozambique	0.00100	0.00100	0.00100
Myanmar	0.01000	0.01000	0.01000
Namibia	0.00700	0.00994	0.01000
Nepal	0.00400	0.00600	0.00600
Netherlands	1.73800	2.47092	2.46200
New Zealand	0.24100	0.34261	0.34100
Nicaragua	0.00100	0.00100	0.00100
Niger	0.00100	0.00100	0.00100
Nigeria	0.06800	0.09667	0.09600
Norway	0.64600	0.91841	0.91500
Oman	0.06100	0.08671	0.08600
Pakistan	0.06100	0.08671	0.08600
Panama	0.01800	0.02558	0.02600
Papua New Guinea	0.00600	0.00852	0.00900
Paraguay	0.01600	0.02274	0.02300
Peru	0.11800	0.16774	0.16700
Philippines	0.10000	0.14215	0.14200
Poland	0.37800	0.53739	0.53600
Portugal	0.46200	0.65681	0.65500
Qatar	0.03400	0.04833	0.04800
Republic of Korea	1.85100	2.63157	2.62300
Republic of Moldova	0.00200	0.00283	0.00300
Romania	0.05800	0.08245	0.08200
Russian Federation	1.20000	1.70604	1.70000
Rwanda	0.00100	0.00100	0.00100
Saint Kitts and Nevis	0.00100	0.00100	0.00100
Saint Lucia	0.00200	0.00283	0.00300
Saint Vincent and the Grenadines	0.00100	0.00100	0.00100
Sao Tome and Principe	0.00100	0.00100	0.00100
Saudi Arabia	0.55400	0.78761	0.78500
Senegal	0.00500	0.00710	0.00700
Serbia and Montenegro[c]	0.02000	0.02842	0.02800
Seychelles	0.00200	0.00283	0.00300
Sierra Leone	0.00100	0.00100	0.00100
Slovakia	0.04300	0.06112	0.06100
Slovenia	0.08100	0.11514	0.11500
Somalia	0.00100	0.00100	0.00100
South Africa	0.40800	0.58004	0.57807
Spain	2.51875	3.58092	3.56797
Sri Lanka	0.01600	0.02274	0.02300
Sudan	0.00600	0.00900	0.00900

Member State	UNITED NATIONS assessment rates 2003 [a] (1)	UNIDO assessment rates 2004 and 2005 [b] (2)	UNIDO rates for 2003 (3)
Suriname	0.00200	0.00283	0.00300
Swaziland	0.00200	0.00283	0.00300
Sweden	1.02675	1.45973	1.45445
Switzerland	1.27400	1.81124	1.80500
Syrian Arab Republic	0.08000	0.11373	0.11300
Tajikistan	0.00100	0.00100	0.00100
Thailand	0.29400	0.41796	0.41700
The former Yugoslav Republic of Macedonia	0.00600	0.00852	0.00900
Togo	0.00100	0.00100	0.00100
Tonga	0.00100	0.00100	0.00100
Trinidad and Tobago	0.01600	0.02274	0.02300
Tunisia	0.03000	0.04264	0.04300
Turkey	0.44000	0.62553	0.62300
Turkmenistan	0.00300	0.00426	0.00400
Uganda	0.00500	0.00700	0.00700
Ukraine	0.05300	0.07534	0.07500
United Arab Emirates	0.20200	0.28717	0.28600
United Kingdom of Great Britain and Northern Ireland	5.53600	7.87059	7.84300
United Republic of Tanzania	0.00400	0.00568	0.00600
Uruguay	0.08000	0.11373	0.11300
Uzbekistan	0.01100	0.01563	0.01600
Vanuatu	0.00100	0.00100	0.00100
Venezuela	0.20800	0.29570	0.29500
Viet Nam	0.01600	0.02274	0.02300
Yemen	0.00600	0.00852	0.00900
Zambia	0.00200	0.00283	0.00300
Zimbabwe	0.00800	0.01136	0.01100
Total (169 Member States)	**74.39600**	**100.00000**	**100.00000**

[a] Based on General Assembly resolutions 55/5 B-F and 57/4 B.

[b] Scales in accordance with resolutions 55/5 B-F and 57/4 B, column (1) multiplied by coefficient 1.4217143 for 2004 and 2005 column (2). Coefficient is not applied to: (i) Member States with assessment rates of 0.001 per cent; (ii) LDCs whose rate may exceed 0.01 per cent; and (iii) Member State with maximum assessment rate of 22 per cent.

[c] The name of the State of the Federal Republic of Yugoslavia was changed to "Serbia and Montenegro" on 4 February 2003.